

Township of  
Langley



Est. 1873

## REPORT TO MAYOR AND COUNCIL

**PRESENTED:** MAY 1, 2023 - REGULAR MEETING  
**FROM:** FINANCE DIVISION  
**SUBJECT:** FIRE HALL LOAN AUTHORIZATION BYLAW  
AND ALTERNATIVE APPROVAL PROCESS

**REPORT:** 23-73  
**FILE:** 1760-20

### RECOMMENDATIONS:

**That** Council approve the construction of a Fire Hall in Brookwood to replace Fire Hall #5 as outlined in the report to Council on February 27, 2023. The cost of construction is anticipated to be \$25 million funded from debt;

**That** Council give first, second and third reading to Fire Hall Loan Authorization Bylaw No. 5880 for the purpose of borrowing funds in the amount of \$25 million for the construction of Fire Hall capital project within the 2023 Capital Program repayable from general revenue; and

**That** Council provide an Alternative Approval Process, in accordance with Section 86 of the *Community Charter*, for Fire Hall Loan Authorization Bylaw No. 5880 as outlined in items (a) to (e) below with respect to the Alternative Approval Process.

- a) Elector responses shall be in the form set out in Attachment "A".
- b) The deadline for the submission of elector responses forms shall be 4:30 PM on Thursday, August 31, 2023 (the "Deadline").
- c) The Township Clerk is authorized to prepare an Alternative Approval Process Notice which must be published once each week for two consecutive weeks with the second publication being at least 30 days before the deadline.
- d) This Alternative Approval Process applies to the entire area of the Township, and a fair determination of the total number of electors of the Township of Langley is 96,390.
- e) The Township Clerk is authorized to undertake any further steps required to carry out the Alternative Approval Process in accordance with the *Community Charter*.

### EXECUTIVE SUMMARY:

The Township's 2023-2027 Capital Program includes an envelope for construction of a Fire Hall in the Brookwood Neighborhood which requires external debt financing through the Municipal Finance Authority as outlined in the *Community Charter*. The *Community Charter* stipulates that borrowing for greater than five years must be obtained from the Municipal Finance Authority (MFA) and requires a loan authorization bylaw. Loan authorization bylaws generally may only be adopted with the approval of the electors with some exceptions.

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The Community Charter, Municipal Liabilities Regulations, provides an exemption from elector approval if total annual debt servicing cost is less than 5% of the municipal annual revenue calculated in accordance with this regulation. At this time, the Township does not meet this requirement and is therefore required to seek elector approval through an alternative approval process for the loan authorization bylaw proposed in this report.

### Fire Hall

The proposed loan authorization bylaw will provide funding for Fire Hall construction in the Brookwood neighborhood.

The costs are comprised of the building construction, site and ancillary work, ground improvements, general requirements, escalation allowances, soft costs, and other allowances and contingencies.

### Debt Financing - Alternative Approval Process

Under Section 86 of the *Community Charter*, Council is required to seek approval of the electors prior to incurring debt for this transportation capital project.

The need to borrow funds for capital may arise as a result of many factors including rising capital costs in recent years, which has depleted funding sources such as surpluses and reserves. In addition, budgets are strained as the Township continues to provide ongoing funding for infrastructure, asset maintenance and protective services in a rapidly growing community.

### Projected MFA Debt Servicing Costs

If approved, the Township will borrow \$25.25 million repayable over 20 years for this capital project. At current rates of 4.38%, approximate annual loan payments of principal and interest would be as follows:

<b>Service Fund</b>	<b>Debt Amount</b>	<b>Source of Debt Servicing</b>	<b>Annual Principal &amp; Interest Payment</b>
Fire Hall Project	\$ 25,250,000.00	General Revenue	\$2,119,537
1% Borrowing Costs	250,000.00		
Total Loan Amount	\$ 25,000,000.00		

### **PURPOSE:**

The purpose of this report is to obtain Council's consideration of three readings of the Fire Hall Loan Authorization Bylaw No. 5880 (\$25.25 million), and provision of an Alternative Approval Process, prior to it being forwarded to the Inspector of Municipalities.

**DISCUSSION/ANALYSIS:**

The Township's 2023-2027 Capital Program includes an envelope for construction of a Fire Hall in the Brookwood Neighborhood which requires external debt financing through the Municipal Finance Authority as outlined in the *Community Charter*. The *Community Charter* stipulates that borrowing for greater than five years must be obtained from the Municipal Finance Authority (MFA) and requires a loan authorization bylaw.

**Fire Hall**

The proposed loan authorization bylaw will provide funding for Fire Hall construction in the Brookwood neighborhood.

The costs are comprised of the building construction, site and ancillary work, ground improvements, general requirements, escalation allowances, soft costs, and other allowances and contingencies

**Debt Financing - Alternative Approval Process**

Under Section 86 of the *Community Charter*, Council is required to seek approval of the electors prior to incurring debt for this capital project.

The need to borrow funds for capital may arise as a result of many factors including rising capital costs in recent years, which has depleted funding sources such as surpluses and reserves. In addition, budgets are strained as the Township continues to provide ongoing funding for infrastructure, asset maintenance and protective services in a rapidly growing community.

**Applicable Policies:**

Current Financial Policies support the utilization of external debt for funding significant capital projects, which benefit the community for a period greater than the loan repayment period. The advantage of debt financing is that significant projects are not unreasonably delayed and future taxpayers, who will benefit from the capital projects, contribute toward their funding.

**Legislation:**

The *Community Charter* stipulates that borrowings for greater than five years must be obtained from the Municipal Finance Authority (MFA) and require a loan authorization bylaw. Loan authorization bylaws generally may only be adopted with the approval of the electors with some exceptions. The Community Charter Regulation, Municipal Liabilities Regulations, provides an exemption from elector approval if total annual debt servicing cost is less than 5% of the municipal annual revenue calculated in accordance with this regulation. At this time, the Township does not meet this requirement and is therefore required to seek elector approval through an alternative approval process for the loan authorization bylaw proposed in this report.

The borrowing process as stipulated in the *Community Charter* and the Local Government Act for this bylaw is as follows:

- Complete three readings of the Loan Authorization Bylaw.
- Submit Bylaws and Liability Servicing Limit Certificate to the applicable Ministry for review and approval.

- Seek elector approval through the Alternative Approval Process. Two public notices in subsequent weeks are required, after which time the forms will be available to the public by mail upon request or from the Township’s website. Electorate will have 30 days after the second publication to submit original forms to the Corporate Officer.
- Adopt the Loan Authorization Bylaw if less than 10% opposition from the electorate is registered. The number of registered electors on October 15, 2022 was 96,390 making the 10% threshold of electors 9,639 electors.
- The Municipality applies for the final Certificate of Approval for the Loan Authorization Bylaw at least one month (30 day quashing period) after the bylaws are adopted by Council.

**Financial Implications**

The Township’s 2023-2027 Capital Program includes a Fire Hall capital project which requires external borrowing. Debt servicing costs for principal and interest is included in the 2023-2027 Five-Year Financial Plan.

If approved, the Township will borrow a total of \$25.25 million repayable over 20 years for this capital project. At current rates of 4.38%, the annual loan payments of principal and interest would be as follows:

Service Fund	Debt Amount	Source of Debt Servicing	Annual Principal & Interest Payment
Fire Hall Project	\$ 25,250,000.00	General Revenue	\$2,119,537
1% Borrowing Costs	250,000.00		
Total Loan Amount	\$ 25,000,000.00		

Debt Financing - Alternative Approval Process

Under Section 86 of the *Community Charter*, Council is required to seek the approval of the electors prior to incurring debt for the transportation capital project. The approval process is outlined below:

- Authorize staff to proceed with the Alternative Approval Process.
- Establish the deadline for receiving elector responses. The deadline for receiving elector responses is Thursday, August 31, 2023.
- Authorize the Township Clerk to prepare and publish the Alternative Approval Process Notice. The Notice in accordance with *Community Charter* Sections 86 and 94 will be published once each week for two consecutive weeks. The last day of the second publication will be at least 30 days prior to the deadline of August 31, 2023.
- Establish the form and content of the elector response forms. The response form, Attachment “A”, is designed to allow only a single elector response on each form and will be available to the public by mail upon request or from the Township’s website from the time of the first publication, until the deadline of August 31, 2023.
- Council must, by resolution, determine the total number of electors used to calculate the 10% minimum threshold. The number of registered electors on October 15, 2022 was 96,390 making the 10% threshold of electors 9,639 electors.

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AND ALTERNATIVE APPROVAL PROCESS  
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- If 10% of all eligible electors (in the case of at least 9,639 electors) sign the elector response form and submit it, by mail or on-site drop box, to the Township’s Clerk’s office by 4:30 PM on Thursday, August 31, 2023, Council should not proceed with the final reading of the Loan Authorization Bylaw.

Respectfully submitted,

Samuel Nam  
DEPUTY DIRECTOR OF FINANCE  
for  
FINANCE DIVISION

This report has been prepared in consultation with the following listed departments.

<b>CONCURRENCES</b>	
<b>Division / Department</b>	<b>Name</b>
FACILITIES	Harb Chohan
LEGISLATIVE SERVICES (TOWNSHIP CLERK)	Wendy Bauer

ATTACHMENT A - Elector Response Forms

ATTACHMENT B – Fire Hall Schematic Drawings and Conceptual Typical Site Layout

## ATTACHMENT A



## Elector Response Form Fire Hall Construction

The Township of Langley is seeking elector approval for the borrowing of funds, \$25.25 million, to undertake Fire Hall construction in the Brookwood neighborhood. Elector approval is requested using the alternative approval process as described in Section 86 of the *Community Charter*.

The question being put forward to the electors of the Township of Langley is whether they are opposed to the borrowing of funds to undertake Fire Hall construction in the Brookwood neighborhood.

The number of electors within the Township of Langley on October 15, 2022, was 96,390. If valid Electoral Response Forms are received from 9,639 electors, Council cannot proceed with the borrowing without receiving the assent of the voters by referendum.

If you are opposed to the borrowing of funds to undertake Fire Hall construction in the Brookwood neighborhood and are a qualified elector in the Township of Langley, you can sign an Elector Response form.

If you are not opposed to the borrowing of funds to undertake Fire Hall construction in the Brookwood neighborhood, no action is required.

All Elector Response forms must be received, by mail or the on-site drop box, by the Township Clerk at the Township of Langley Civic Facility, 20338 – 65 Avenue, Langley on or before 4:30pm (PST) on August 31, 2023. All forms must have an original signature and cannot be copied or scanned versions of the signature.

Further information can be obtained from the Township Clerk at:

Wendy Bauer, Township Clerk  
604-533-6101  
wbauer@tol.ca



## Alternative Approval Process Fire Hall Construction

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### Elector Response Form

I hereby declare the following:

1. That I am a Canadian citizen;
2. That I am an individual who is age 18 or older;
3. I have been a resident of British Columbia for at least the past 6 months;
4. I have been a Township of Langley resident or owner of property within the Township of Langley for at least the last 30 days;
5. I am not disqualified by the *Local Government Act* or any other enactment from voting in an election or otherwise disqualified by law.

I understand that by signing this form I am declaring the above facts and I am petitioning against the Corporation of Township of Langley borrowing of funds to undertake Fire Hall construction in the Brookwood neighborhood.

**NAME OF ELECTOR:**

\_\_\_\_\_ (Please Print Full Name)

**RESIDENTIAL ADDRESS:**

\_\_\_\_\_ (or address of property for which you are eligible to be a non-resident Property elector)

**SIGNATURE OF ELECTOR:**

\_\_\_\_\_

**NOTE:** This **originally-signed form** must be received, by mail or on-site drop box, by the Township Clerk at the Township of Langley, Township of Langley Civic Facility, 20338 – 65 Avenue, Langley, BC, V2Y 3J1 **no later than 4:30pm on August 31, 2023.**

***Accurate copies of this elector response form may be made and used for signing. A person must not sign an elector response form more than once and may not withdraw their name from the alternative approval process petition after the August 31, 2023 deadline.***

Any personal information collected on this form will be managed in accordance with the *Freedom of Information and Protection of Privacy Act*. Direct enquiries, questions, or concerns regarding the collection, use, disclosure, or safeguarding of personal information associated with this form to:  
Supervisor, Information, Privacy and Records Management.  
20338 – 65 Avenue, Langley, BC V2Y 3J1 604-532-7396

**PUBLIC NOTICE****Notice of Elector  
Alternative Approval Process**

The Township of Langley is seeking elector approval for the borrowing of funds to undertake a Fire Hall capital works project.

For the above bylaws, the borrowing may occur unless at least 10% of the electors of the Township of Langley sign an Elector Response form confirming their opposition. Council has determined that 10% of eligible electors within the Township of Langley is 9,639 electors.

Copies of Fire Hall Loan Authorization, No 5880 and related documents are available on the Township website at [www.tol.ca/aap](http://www.tol.ca/aap) and by mail from the Legislative Services Department by calling 604-533-6100 Monday to Friday (except for statutory holidays) from 8:00am to 4:30pm or emailing [info@tol.ca](mailto:info@tol.ca).

**Who can sign an Elector Response form?**

Only eligible electors may sign an Elector Response form. Eligible electors must meet the following qualifications:

- a Canadian citizen;
- an individual over the age of 18;
- a resident of British Columbia for at least the past 6 months;
- a Township of Langley resident or property owner for at least the past 30 days; and
- not disqualified from voting by the Local Government Act or any other enactment.

Corporations are not entitled to submit Elector Response forms.

For non-resident electors, individuals owning land within the Township of Langley but not residing in the Township, only one non-resident owner may submit the Elector Response form for the property.

**What to do if you are not opposed:**

If you agree with the borrowing of funds to undertake the Fire Hall construction in the Brookwood neighborhood, no action on your part is necessary.

**What to do if you are opposed:**

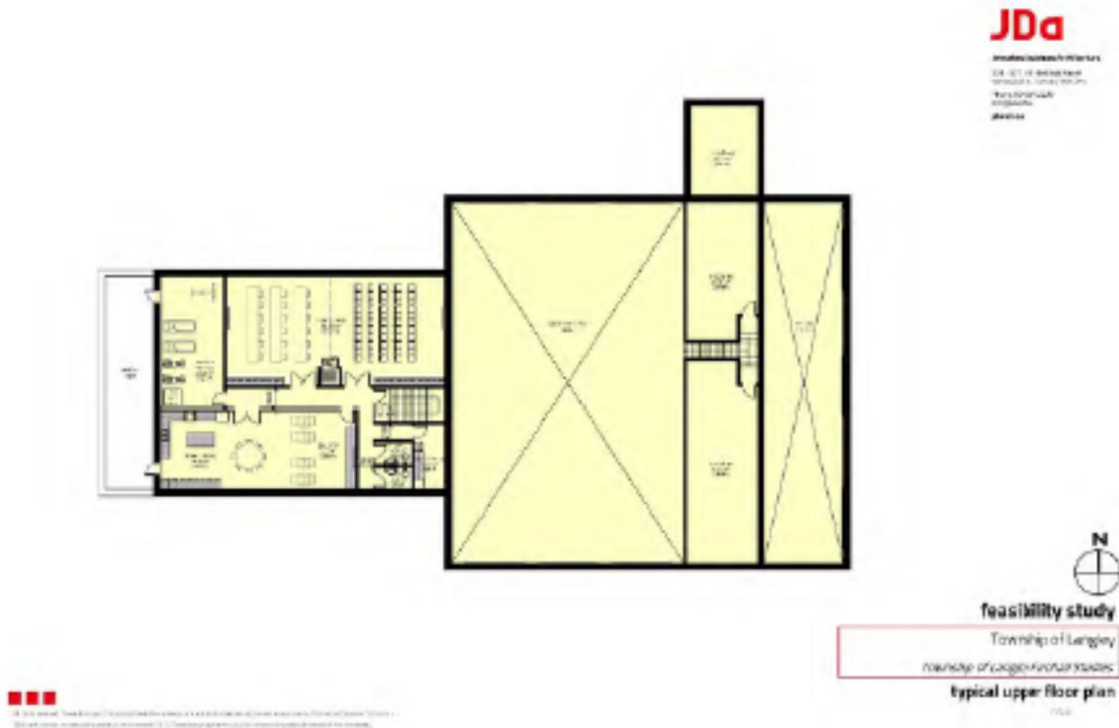
If you are opposed to the borrowing, Elector Response forms are available upon request by mail by calling 604-533-6100 at the Township of Langley Civic Facility at 20338 – 65 Avenue, Monday to Friday (except for statutory holidays) from 8:00am to 4:30pm or at [www.tol.ca/aap](http://www.tol.ca/aap).

The form must be received, by mail or the on-site drop box, at the Township Civic Facility at 20338 – 65 Avenue, Langley by the Township Clerk on or before **4:30pm on Thursday, August 31, 2023**.

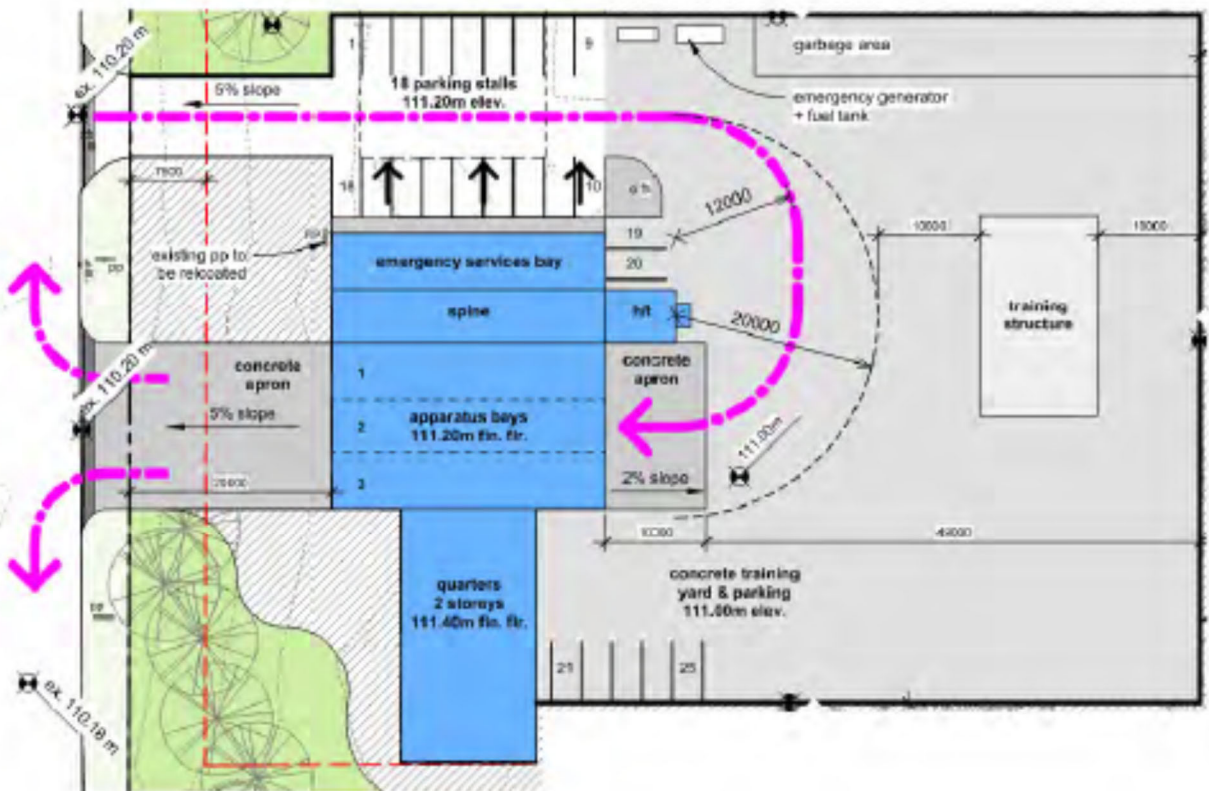
The form must have an original signature. Faxed, imaged, or emailed signed forms cannot be counted.



Typical Upper Floor Plan



Conceptual Typical Site Layout



**THE CORPORATION OF THE TOWNSHIP OF LANGLEY**

**FIRE HALL LOAN AUTHORIZATION**

**BYLAW NO. 5880**

**EXPLANATORY NOTE**

Bylaw No. 5880 authorizes the Township of Langley to borrow \$25.25 million towards the estimated cost of the construction of Fire Hall capital project.

THE CORPORATION OF THE TOWNSHIP OF LANGLEY

FIRE HALL LOAN AUTHORIZATION

BYLAW NO. 5880

WHEREAS it is deemed desirable and expedient to construction of Fire Hall #5 servicing the Township of Langley.

AND WHEREAS the *Community Charter*, Section 179 authorizes local governments to borrow money for any purpose of a capital nature.

AND WHEREAS the estimated cost of the Fire Hall Capital Project thereto is equal to the sum of \$25.25 million (Twenty-five million two hundred fifty thousand dollars) which is the amount of debt created by this bylaw.

NOW THEREFORE, the Council of the Corporation of the Township of Langley, in Open Meeting Assembled, ENACTS AS FOLLOWS:

1. This Bylaw may be cited for all purposes as "Fire Hall Loan Authorization Bylaw No. 5880".
2. The Council is hereby empowered and authorized to undertake and carry out or cause to be carried out the construction of the Fire Hall Capital Project generally in accordance with general plans on file in the municipal office and to do all things necessary in connection therewith and without limiting the generality of the foregoing:
  - a. To borrow upon the credit of the Municipality a sum not exceeding \$25,250,000 (Twenty-five million two hundred fifty thousand dollars).
  - b. To acquire all such real property, easements, rights-of-way, licenses, rights or authorities as may be requisite or desirable for or in connection with construction of the said Fire Hall Capital Project.
3. The maximum term for which debentures may be issued to secure the debt created by this bylaw is 20 years.

READ A FIRST TIME the \_\_\_\_\_ day of \_\_\_\_\_, 2023  
 READ A SECOND TIME the \_\_\_\_\_ day of \_\_\_\_\_, 2023  
 READ A THIRD TIME the \_\_\_\_\_ day of \_\_\_\_\_, 2023  
 RECEIVED THE APPROVAL of the \_\_\_\_\_ day of \_\_\_\_\_, 2023  
 INSPECTOR of MUNICIPALITIES this  
 RECONSIDERED AND ADOPTED the \_\_\_\_\_ day of \_\_\_\_\_, 2023

\_\_\_\_\_ Mayor \_\_\_\_\_ Township Clerk